



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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20-14 City of Colorado Springs Cost of Responding to Homelessness

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Purpose

The purpose of this audit was to evaluate the cost of responding to homelessness in Colorado Springs. The audit was limited to 2018 costs for City funded services. City funded services included multiple funding sources such as the General Fund, Trails, Open Space and Parks fund (TOPS), Public Safety Sales Tax (PSST), and others.

Highlights

At the time of the audit, very few City departments were tracking direct costs associated with homeless response. Using available data and estimates, 2018 City funded services totaled \$3.6 million, however we believe this number to be understated because all actual costs were not being tracked. In 2018, \$2.6 million in federal grant funds specific to homeless programs were spent in addition to the City funded services. The January 2018 "Point in Time" count conducted by the Continuum of Care showed at least 1,551 people were experiencing homelessness in El Paso County. Other municipalities estimated the cost of homelessness at the City or County level to be from \$5,000 to \$83,000 per person per year. The wide variation involved the types of services included when calculating the cost. Those jurisdictions that included health services in their calculation reported significantly higher costs per person than those who excluded health services.

This audit was requested by City leadership. We would like to thank all departments that assisted us.

Homelessness is a complex problem requiring interdisciplinary, interagency, and intergovernmental action to effectively respond. The core functions of the City of Colorado Springs were public safety, public works, along with parks and recreation. Where possible, we identified costs from these core functions for assistance directed towards the homeless population. El Paso County was primarily responsible for health and human services. Local hospitals and healthcare providers also bore the cost for homeless and indigent care, but were not included in this audit. Finally the City of Colorado Springs was home to numerous nonprofits that are involved in

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Recommendation

1. We recommend City departments consider tracking costs and outcomes when performing work associated with the homeless population. Costs include labor, equipment, materials, and all other expenses necessary to provide services. Outcomes include data relevant to the number of persons served or other quantifiable results.

Management Response

Management was in agreement with our recommendation. See page 4 for details.

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providing services to the homeless population; however all of their funding sources and expenses are not part of the reported City funded services.

The 2019 Colorado Springs Homeless Initiative included five goals that seek to aid individuals experiencing homelessness or assist those at risk for becoming homeless. The City has had similar initiatives regarding homelessness since 2014. Achieving the goals of these City initiatives affected many City departments.

Understanding actual costs was an essential tool in assessing the impact on City resources and the success of City initiatives. Relevant costs were incurred in attempting to provide assistance or other activities which departments encountered through their normal operations.

To identify the cost of responding to homelessness, auditors contacted City departments. Some departments reported they were not collecting data that would indicate when services were provided to people experiencing homelessness versus people not experiencing homelessness. Some departments indicated they did not have a mechanism within their data collection systems to effectively track services for homeless response. A few departments provided data which was used to estimate the cost.

Because the data we were able to collect was disjointed and incomplete, we believe our cost estimates are significantly understated. For example, data collection by Colorado Springs Police Department (CSPD) at the call for service level did not provide dispatchers or officers with a mechanism to report the housing status of people with whom they come into contact. CSPD officers did not differentiate in their response based on the housing status of the people involved in a call. Attempts were made to extract relevant call data, however, the lack of definition of service to homeless individuals made further analysis or projections of cost unreliable.

Estimated 2018 City Funded Cost of Responding to Homelessness	
Department	Amount
City Attorney	14,847
Fire (CSFD) Community Health	1,450,918
Police (CSPD) HOT and DART only	1,079,520
Parks & Recreation (Park Maintenance)	195,333
Public Works (Street Operations)	11,165
Planning & Development (Code Enforcement)	354,374
Funding for Low-barrier shelter beds	500,000
Total Estimated City Funded Services	\$3,606,157

Examples of City departments involved in responding to homelessness were:

Colorado Springs Fire Department (CSFD)—CSFD employees regularly responded to emergent and non-emergent calls for service associated with the homeless population. CSFD also served homeless and low income people through its CARES program.

Colorado Springs Police Department (CSPD)—CSPD officers regularly responded to emergent and non-emergent calls for service associated with the homeless population. CSPD also had the Homeless Outreach Team (HOT) and the Downtown Area Response Team (DART) that dealt directly with the homeless population on a regular basis. Using only the salaries for the HOT and DART teams understates the true cost of CSPD's involvement with people experiencing homelessness. Because of limitations on call data cited above, CSPD costs were limited to the HOT and DART teams.

Parks and Recreation—Parks and Recreation's main tasks were centered around cleaning city parks and assisting other departments with homeless camp cleanups. During 2018, parks staff spent an estimated 4,138 hours completing cleanups. Parks and Recreation began requiring employees to track time associated with responding to homelessness during 2019 and will have accurate information for future periods.

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Planning and Development, Neighborhood Services—The Homeless Prevention and Response Coordinator was primarily responsible for coordinating the City's contributions to the regional effort to prevent homelessness, as well as responding to issues or needs that arose from people experiencing homelessness. This role served as the City's liaison between a large number of groups, (examples include Continuum of Care, the Colorado Springs Housing Authority, the El Paso County Housing Authority, other community service providers, landlords, client advocates, and community groups) to better identify, engage, and transition those experiencing homelessness to the appropriate services and ultimately, permanent housing.

Planning and Development, Code Enforcement—Employees regularly assisted with homeless camp clean ups. Data was collected on the number of camp cleanups completed and the number of truckloads of trash removed, however the labor costs and dump fees for those truckloads were not categorized separately for analysis.

Code Enforcement Homeless Camp Cleanups			
	2017	2018	2019
# of Cleanups	270	470	847
# of Truckloads	510	1,206	1,636

City Attorney—City Attorney's office regularly spent time working on the following issues such as:

Panhandling	Car camping	Homeless Outreach Court
RV parking	Camping in riparian zone	Site-lie ordinance
Camping on City property	Solicitation ordinance	Shopping carts
Developing MOU's with City Homelessness Coordinator		

Public Works—Public Works assisted the Parks department, HOT team, and code enforcement with homeless camp cleanups. Public works tracked efforts related to homeless cleanups.

Municipal Court—Municipal Court started a Homeless Outreach Court in 2019 to assist the homeless and transient populations to resolve their cases and assist with re-establishing their lives. No costs were being tracked for the Homeless Outreach Court program.

General Fund Supplemental Appropriations—City Council also appropriated money to help fund programs in our community. Ordinance #18-105 was a supplemental appropriation to the general fund for capital and operating expenses associated with increasing the number of available low barrier shelter beds in the community.

In addition to City costs listed on page 2 of this report, federal funding noted below was utilized in homeless assistance.

Federal Grant Funding Designated for Responding to Homelessness in Colorado Springs				
Program	Uses	2016	2017	2018
HOME- Home Investment Partnership	Affordable Housing Programs	\$330,471	\$1,568,185	\$842,704
CDBG- Community Development Block Grant	Public Facilities & Improvement Projects	\$1,471,176	\$1,594,081	\$1,524,949
ESG – Emergency Solutions Grant	Emergency Shelters and Homeless Outreach	\$235,877	\$238,307	\$243,746
TOTALS		\$2,037,524	\$3,400,573	\$2,611,399

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Observation 1

The City announced initiatives and goals to address homelessness in 2014 and 2019. An Action Plan for Homelessness was put into place in 2018/2019. Each of these initiatives created goals, which various City departments responded to by increasing activities to support the initiatives. The increased activities were in addition to base level citizen services such as fire and police response. At the time of our audit, few City departments were collecting data to indicate whether a client was homeless. Some departments did not have methods to collect such data. For example, housing status was not a field available for police officers when reporting on a call for service.

We reviewed data and audit reports from a variety of other sources, including cities, counties, and federal agencies. A lack of credible data collection or analysis was cited by multiple agencies as a weakness in determining the cost and effectiveness of homeless programs.

Recommendation

We recommend the City consider tracking actual costs and outcomes when performing work associated with the homeless population. Costs should include labor, equipment, materials, and all other expenses necessary to provide these services. Outcomes include data relevant to the number of persons served or other quantifiable results.

Management Response

The City of Colorado Springs management agrees with the recommendation. During 2020, the City will initiate a process to identify and track cost associated with responding to homelessness. As stated in the audit, this will involve the cost of labor, equipment, materials and the associated indirect costs. The City will work with the identified Departments to gather information and establish an annual tracking process. The City will plan to have the annual process begin each year late in the first quarter and use the actual expenditures of the prior year.